(ii) 100% foreign equity in power sector under automatic approval route has been allowed up to Rs. 1500 crores.

(iii) increase in limit for aggregate investment by NRIs raised from 5% to 10%.

(iv) rationalisation of tariff structure by introducing special additional duty of customs.

(v) Plan outlay for Energy, Transport and Communications stepped up by 35% to Rs. 61,146 crores in 1998-99(BE) as against Rs. 45,252 crores in 1997-98(RE).

(vi) Central and State Electricity Regulatory Commissions to be set up to *inter-alia,* address issues of rationalization of power tariffs.

(vii) Urban land Ceiling and Regulation Act (ULCRA) is proposed to be repealed, which would lead to a step up in construction activity and demand for material such as cement, steel etc.

The recent measures announced by the Government to stimulate and revive the industrial growth include:

(i) Special package announced for revival of growth in exports.

(ii) The Government has allowed buy back of shares and inter-corporate loans to boost investment and revive the capital market.

(iii) To give an immediate boost to industrial activity, the busy season credit policy announced by RBI has contemplated no upward revision of interest rates.

(iv) Counter guaranteees given by Government to three major fast track power projects, are expected to lead to financial closure and thus create demand for basic and other goods.

(v) Six lane, 7000 km highways at a cost of Rs. 28,000 crores are to be taken up.

(vi) Government has agreed to permit foreign equity in the insurance sector. The opening of the insurance sector would provide long term finance for the infrastructure sector.

(vii) Four Task Forces have been constituted for Steel, Capital Goods, Commercial Vehicles and Cement to recommend policy interventions to address the problems faced by these sectors. The Task Forces have submitted their recommendations to the Ministry of Finance. The Government has already notified exemption of seven inputs used in steel manufacturing from the special customs duty. The policy announcements relating to other sectors are expected shortly.

FDI in employment and labour intensive sectors

2374. SHRI C. RAMACHANDRAIAH: Will the Minister of INDUSTRY be pleased to state:

(a) whether any efforts have been made to obtain the opinion of the reputed national economic research institution on the headlong rush to increase FDI in employment and labour intensive sectors of the economy;

(b) if so, when was such a reference made;

(c) what are the terms of reference for such a study;

(d) whether the report has been finalised; and

(e) if so, the major findings?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHAT): (a) and (b) No, Sir.

(c) to (e) Do not arise.